

Are They Listening To Us?

A group of people (many of whom are displaced former residents from the Prudential Apartments) will hold an informational picket line at 10:30 A.M. on Wednesday June 24, outside the offices of the U.S. Dept. of Housing and Urban Development (HUD) at the Gateway I building on Market St.

HUD officials refused to attend a community meeting held June 11 about the redevelopment of the Prudential Apartments. Over 100 neighborhood people did attend.

The community residents have been trying since November, 1980, to get clear answers to the following questions:

- 1) Will the application process be open to public scrutiny to ensure fairness and honesty? (Applications for apartments in other HUD funded buildings have been "lost". No reasons were provided to some people who were denied apartments. Substantive accusations have been made that corruption has existed including: bribes being demanded, numbers being changed on applications, apartments being set aside for purposes of political patronage, discrimination against single parents, people with large families and those receiving public assistance. Many applicants have received no response at all to their applications.)
- 2) Will there be a real priority system for former residents who were forced to leave for various reasons (eviction, arson, no provision of heat and hot water, lack of maintenance)? A lottery system is being proposed by HUD to avoid their responsibilities to displaced former residents. Promises were made to former residents by the developer that are being evaded or broken.

3) Will there be priority for neighborhood residents?

There is a severe housing crisis in this neighborhood. The proposed rehab of these apartments is for 255 units; formerly the building contained over 400 units. Homes have been destroyed for industrial expansion, families are crowded into small apartments, often with more than 2 adults, people are forced to live in basements. Ironbound people want to remain in the Ironbound.

4) Will senior citizens have the right to choose whether they want a bedroom apartment or a studio? Seniors could be forced to crowd into a tiny 1 room apartment against their wishes. The developers on the other hand are free to make a lot of money.*

Previous meetings have not resulted in definitive answers to these questions. "When we meet with the owners, they say the decision is up to HUD," one resident said. "When we meet with HUD, they say it's up to the owners. We want to know what's going on. We want a fair chance to get a decent place to live. It's our tax money that's paying for this."

*Financial information:

a. The developer owed more than \$740,000 in back taxes and water bills. This bill was cut in half by City Council. The developer also got tax abatement on the buildings for 50 years.

b. Yearly income from this project will be about \$2 million. According to the developer's application to HUD, operating expenses will be about \$825,000. This leaves them with \$1,175,000 in profits.

c. According to the same application to HUD, the developers will be guaranteed a profit of \$1,246,605 on construction, as well as builders' overhead of \$186,412. They will also collect about \$345,532 in architectural fees for the project.